

# **Legislative Audit Division**

**State of Montana**



**Report to the Legislature**

**June 2000**

## **Limited Scope Performance Audit**

### **Net Client Hunter Use**

**Montana Board of Outfitters  
Department of Commerce**

**This limited scope performance audit contains recommendations for improvements in program administration of net client hunter use (NCHU). Recommendations include:**

- < Implementing a system for monitoring and reporting on NCHU activity.**
- < Adjusting NCHU according to statute.**
- < Establishing a high priority for NCHU responsibilities.**
- < Developing a system for tracking acreage associated with the outfitter industry.**

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June 2000

The Legislative Audit Committee  
of the Montana State Legislature:

This is our limited scope performance audit of the Montana Board of Outfitters within the Professional and Occupational Licensing Division of the Department of Commerce.

This report provides information to the legislature regarding net client hunter use and oversight of the outfitter industry. Overall, we found the Board of Outfitters needs to establish a higher priority for net client hunter use. Our report includes recommendations for improvements in recordkeeping and oversight of outfitters. Responses from the department are contained at the end of the report.

We wish to express our appreciation to department personnel for their cooperation and assistance during the audit.

Respectfully submitted,

*(Signature on File)*

Scott A. Seacat  
Legislative Auditor

# **Legislative Audit Division**

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## **Limited Scope Performance Audit**

### **Net Client Hunter Use**

**Montana Board of Outfitters  
Department of Commerce**

Members of the audit staff involved in this audit were Kent Rice and Mary Zednick.

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## **Appointed and Administrative Officials**

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### **Montana Board of Outfitters**

Robin Cunningham, Chairman (Gallatin Gateway)  
Jack Billingsley (Glasgow)  
Jennifer Cote (Missoula)  
Leslie K. Dolezal (Billings)  
Mel Montgomery (Lima)  
Wayne Underwood (Billings)  
Raymond Rugg (Superior)

### **Department of Commerce**

Dr. Peter S. Blouke, Director  
Andy Poole, Deputy Director  
Steve Meloy, Administrator, Professional and Occupational  
Licensing Division  
Henry Worsch, Executive Director, Board of Outfitters

### **Private Land/Public Wildlife Advisory Council**

Tom Hougen, Chair (Melstone)  
Leland Blatter (Nashua)  
Connie Lord (Philipsburg)  
David Simpson (Hardin)  
Representative Paul Clark (Trout Creek)  
Verle Rademacher (White Sulphur Springs)  
Lee Gustafson (Billings)  
John Wilkinson (Miles City)  
Daniel Dart (Laurel)  
Mavis Lorenz (Missoula)  
Senator Walter McNutt (Sidney)  
Ray Marxer (Dillon)  
Bryan Dunn (Great Falls)



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### Introduction

The Private Land/Public Wildlife (PL/PW) Advisory Council, which is administratively attached to the Department of Fish, Wildlife and Parks (FWP), submitted a request to the Legislative Audit Committee for an audit of Montana Board of Outfitters (MBO) operations. The Audit Committee approved a limited scope performance audit in December 1999.

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### Background

The MBO, created in 1973, is a licensing board within the Professional and Occupational Licensing Division, Department of Commerce. The MBO has statutory responsibility for licensing outfitters, guides, and professional guides. A significant change in statutory requirements occurred when the 1995 legislature enacted House Bill 196 (Chapter 328, Laws of 1995) requiring the MBO to regulate net client hunter use (NCHU). NCHU is the maximum number of clients actually served by an outfitter in any single year. It limits the number of clients an outfitter may service. Once NCHU is designated, an outfitter cannot exceed, exchange, trade, or substitute between categories without MBO approval.

HB 196 legislative committee hearing minutes indicated a concern with outfitter expansion resulting in a perceived loss of public access for hunting. The law was passed to better regulate the industry and control the net client base thereby reducing the amount of land leased to outfitters. NCHU was the method chosen to control expansion.

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### “Use-It-or-Lose-It” Provision

The 1999 Legislature also implemented a three-year time frame for outfitters who received an NCHU expansion after March 1, 1996. These outfitters must establish their designated NCHU within three years. After the three-year period, the NCHU is to be adjusted to reflect the highest number of clients actually served, up to but not exceeding the designated NCHU. This is commonly referred to as the “use-it-or-lose-it” provision.

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### Moratorium

In addition, the legislature imposed a moratorium on land-based hunting outfitter licenses in 1995. The total number of land-based licenses could not exceed the number in existence on April 14, 1995. There was some confusion about the actual number of licenses, so this law was clarified in 1999. The moratorium on land-based hunting outfitter licenses is 543.

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### NCHU Activity

The main audit question regarding NCHU is:

*Did actions taken by MBO related to requests for expansion of NCHU filed by outfitters between July 1, 1996, and July 1, 1999, meet legislative intent and statutory requirements of HB 196?*

The MBO took action to address the laws passed in 1995 regarding NCHU. Rules were adopted, forms created, applications accepted, and reviews completed. However, based on an Attorney General's opinion, the MBO did not go far enough. Board actions have not completely addressed statutory requirements. In the Attorney General's opinion, the MBO did not properly implement section 37-47-201(5)(d), MCA, by not adopting rules pertaining to undue conflict. The 1999 Legislature enacted laws regarding criteria for review and approval of proposed new operations and requests for expansion of existing NCHU. These criteria were implemented to address language from the statement of intent regarding undue conflict.

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### Does MBO Monitor NCHU Activity?

Our review identified several issues regarding NCHU. MBO files contain data on NCHU; however, there is no system for tracking changes. Without a system, industry-wide information on NCHU is unknown, and compliance with laws such as the three-year "use-it-or-lose-it" provision is limited.

NCHU designation and/or expansion request forms are not completed or are not completed correctly. NCHU designation forms provide base client numbers for outfitters. MBO staff compare designation forms with client logs, and if differences are noted, make adjustments to the base. However, not all forms have had this review.

Several factors contribute to the delay in establishing systems and processes for administering NCHU. The main factors are lack of resources, staff turnover, and failure to establish a top priority for NCHU.

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### Audit Recommendations

We believe implementation of the following recommendations will improve program administration of NCHU. The MBO should:

1. Implement a system for monitoring and reporting on NCHU activity.
2. Comply with statute by adjusting NCHU according to the three-year “use-it-or-lose-it” law.
3. Verify all NCHU designation forms and document the actual NCHU base.
4. Establish a high priority for NCHU responsibilities.

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### Oversight of the Outfitter Industry

The other audit question is:

*Does the MBO maintain adequate records to provide necessary oversight of the outfitter industry, as specified in statute?*

The MBO has a process in place for licensing outfitters. In addition, MBO personnel are working with Department of Fish, Wildlife and Parks game wardens to monitor outfitter activity in the field. The MBO maintains outfitter records which provide information on outfitter operations. The operations plan forms the base record. Other information, such as amendments, NCHU changes, and renewals, provide data for ongoing operations.

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### What Are MBO Information Needs?

While MBO maintains outfitter records, current administrative procedures do not ensure records are accurate and kept up to date. The current NCHU expansion form does not accurately portray client hunting possibilities within the various NCHU categories. Tying categories and subcategories to FWP license prefixes will clarify what clients are being served, make it easier for outfitters to understand and complete the form, and help MBO check and verify information submitted by outfitters.

Information requested on MBO forms is not always properly completed and file information may not be up to date. MBO relies on

## Report Summary

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the signature of the outfitter to affirm the information is accurate and complete. Some NCHU designation forms are checked, but there is no other testing or verification of written documentation. As a result, the accuracy of file information, namely acreage data and operations plan information, is questionable.

In response to recent legislation, the MBO changed the land usage form to request leased acreage used, unused, and open to public hunting. MBO management is not sure how accurate this information will be since they do not believe outfitters can determine the number of acres actually used. A review of the data for calendar year 1999 should be completed to determine its usefulness in relation to oversight of the outfitter industry.

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### Audit Recommendations

We believe implementation of the following recommendations will improve outfitter recordkeeping. We recommend the MBO:

1. Change NCHU forms to tie categories and subcategories to FWP license prefixes.
2. Develop a system for tracking acreage associated with the outfitter industry, and implement a process to help ensure file information is accurate and up to date.
3. Review land usage data collected for calendar year 1999 to determine its usefulness for oversight of the outfitter industry. If the analysis indicates the correct data is not useful for MBO operations, seek legislation to clarify the requirements for collecting leased acres used and unused.

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### ***Conclusion: The MBO Should Take Further Action to Completely Meet Legislative Intent and Statutory Requirements***

Current laws appear to contain the criteria and requirements necessary to address concerns. An NCHU expansion request must be submitted to MBO for all expansions, including new use. The law contains criteria for evaluating and deciding whether to grant NCHU expansion requests. In addition, the law requires the MBO to consider access impacts including whether the expansion will:

1. Open private or public lands to public hunting that did not previously exist.
2. Address game damage problems by opening new public hunting opportunities.
3. Directly restrict public access to public lands.

## **Report Summary**

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Our review showed the MBO is not meeting legislative intent and statutory requirements. It also appears the MBO does not maintain adequate records to provide necessary oversight of the outfitter industry, as specified in statute. This conclusion is based on a lack of program administration and documentation. Because MBO records do not contain justification of NCHU expansions, we cannot conclude on compliance with the law. The MBO should take further action to completely meet legislative intent and statutory requirements.

# Chapter I - Introduction

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## Introduction

The Private Land/Public Wildlife (PL/PW) Advisory Council, which is administratively attached to the Department of Fish, Wildlife and Parks (FWP), submitted a request to the Legislative Audit Committee for an audit of Montana Board of Outfitters (MBO) operations. The Audit Committee approved a limited scope performance audit in December 1999. This report presents the findings of our review.

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## Audit Objectives

In its request, the PL/PW Advisory Council asked for a determination of the following:

1. If actions taken by the MBO related to requests for expansion of net client hunter use (NCHU) filed by outfitters between July 1, 1996, and July 1, 1999, meet legislative intent and statutory requirements of House Bill 196 (Chapter 328, Laws of 1995).
2. If the MBO maintains adequate records to provide necessary oversight of the outfitter industry, as specified in statute.

This request sets audit scope. To help address these topics, we answered the following questions:

1. Do MBO rules implement legislative intent?
2. What information is consistently maintained by the MBO?
3. What does the information maintained by MBO provide?
4. How does the MBO verify information provided by outfitters?
5. How does the MBO keep records up to date and complete?
6. What information is required to effectively administer the program and provide necessary oversight?

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## Audit Scope and Methodology

To address our objectives, we gained an understanding of MBO operations. Preliminary planning work was conducted to determine what records the MBO maintains and to gain an understanding of NCHU. NCHU is the maximum number of clients actually served by an outfitter in any single year. In general, our audit period covered MBO activities from January 1995 to March 2000.

Based on our preliminary review, we established specific methodologies in two areas to assist in answering audit objectives. The first area related to NCHU activity. We reviewed MBO operations and NCHU activity, including actions taken by the MBO

## **Chapter I - Introduction**

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regarding statutory requirements for NCHU. This included a review of laws and rules, public hearing minutes, and an Attorney General's opinion. All NCHU records were reviewed, including applications for new, expansion, and transfer of NCHU. We obtained and reviewed reports on NCHU expansion compiled by a previous MBO executive director and FWP. We interviewed MBO personnel to determine processes for reviewing NCHU activity. A spreadsheet of NCHU activity was created to document our file review. The spreadsheet included the number of clients served at the time of application, the request for change, the status of the request, associated acreage, and summary information. Findings were compared to legislative intent to determine compliance.

The second area was oversight of the outfitter industry. We interviewed representatives of the PL/PW Advisory Council and the Montana Board of Outfitters and staff of the Department of Fish, Wildlife and Parks to determine what they consider necessary oversight of the outfitter industry. We evaluated laws, rules, and files/records to determine what information is required and collected to administer the program and provide oversight of the outfitter industry.

For both areas, we obtained input on MBO's plans for changing processes and/or records.

This audit was conducted in accordance with governmental auditing standards for performance audits.

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### **Compliance**

Generally, we found the MBO is in compliance with state laws and administrative rules. An issue related to compliance with an NCHU law is discussed further in Chapter III.

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### Management Memorandum

We identified two issues during the audit related to MBO operations which warrant management attention. We presented suggestions to the MBO for possible operating improvements.

Current Information on Licensed Outfitters - The MBO recently switched to an Oracle database system for maintaining general license information. As a result, MBO personnel must submit requests to Professional and Occupational Licensing computer staff to get current information on licensed outfitters. The turnaround time for these requests does not meet the needs of the MBO. We recommend the MBO change the current licensed outfitters reporting system to ensure accurate and timely information is provided.

Automated Mapping System - The Block Management Program within FWP uses the Natural Resource Information System (NRIS) to develop maps of block management areas. These maps provide a visual reference to the area, as well as the ability to calculate acreage. MBO could use this type of map to identify actual areas of outfitter operations, calculate acreage and land ownership, and help solicit public comment on NCHU expansions. We recommend the MBO consider use of the existing NRIS automated mapping system for program administration.

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### Report Organization

The remainder of this report is divided into three chapters. Chapter II provides general background information on NCHU and the MBO. Chapter III outlines our findings and presents recommendations regarding NCHU and the outfitter industry. Chapter IV specifically answers the questions posed by the PL/PW Advisory Council.





## Chapter II - Background

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### **Introduction**

The Montana Board of Outfitters (MBO) was created in 1973. The MBO has statutory responsibility for licensing outfitters. According to statute, an outfitter is any person who for consideration provides any saddle or pack animal; facilities; camping equipment; vehicle, watercraft, or other conveyance; or personal service for any person to hunt, trap, capture, take, kill, or pursue any game, including fish, and who accompanies that person, either part or all of the way, on an expedition for any of these purposes or supervises a licensed guide or professional guide in accompanying that person. The exception to this is someone providing services on real property the person owns and uses primarily for bona fide agricultural interests.

In addition to licensing outfitters, the MBO is responsible for licensing guides. Guides work for outfitters and accompany clients during outdoor activities. General duties of MBO staff include enforcing laws and rules, maintaining records, reviewing applications, administering examinations, and investigating applicants and licensed individuals.

### **MBO Organization and Staff**

The MBO is a licensing board within the Professional and Occupational Licensing Division, Department of Commerce. The board is allocated to the department for administrative purposes only. The seven-member board includes:

- < One big game hunting outfitter.
- < One fishing outfitter.
- < Two outfitters engaged in both big game and fishing outfitting,
- < Two sportspersons.
- < One member of the general public.

Staff of the MBO includes an executive director, two inspectors, one licensing technician, one statistician, and one administrative assistant.

## Chapter II - Background

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### NCHU History

Statutory requirements relating to the MBO changed over the years. A significant change occurred when the 1995 Legislature enacted House Bill 196 (Chapter 328, Laws of 1995) requiring the MBO to regulate net client hunter use (NCHU). HB 196 legislative committee hearing minutes indicated a concern with outfitter expansion resulting in a perceived loss of public access for hunting. The law was passed to better regulate the industry and control the net client base, thereby reducing the amount of land leased to outfitters. NCHU was the method chosen to control expansion.

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### NCHU Definition

NCHU is the maximum number of clients actually served by an outfitter in any single year. It limits the number of clients an outfitter may service. Once NCHU is designated, an outfitter cannot exceed, exchange, trade, or substitute between categories without MBO approval. Outfitters must document and maintain client logs for verifying NCHU.

The MBO established three general categories in which an outfitter can designate NCHU. These include:

- < Category 1 - nonresident big game outfitter sponsored license holders (B-10 and B-11 licenses).
- < Category 2 - big game license holders (licenses other than category 1).
- < Category 3 - non-big game.

Category 2 includes subcategories for license holders of the following species:

- < Elk
- < Deer
- < Antelope
- < Lion
- < Sheep
- < Bear
- < Goat
- < Moose

Outfitters designate NCHU for each Category 2 species approved in the operations plan submitted to the MBO. The designations for each individual species are added together for a total NCHU for

## Chapter II - Background

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Category 2. An outfitter cannot exceed the total NCHU in Category 2, but may serve any combination of clients up to the total. For example, if an outfitter designated an NCHU of 10 for elk and 10 for antelope, the outfitter could serve 20 elk clients and 0 antelope clients, or any combination of the two species not exceeding a total of 20, in one year. This is also true for Category 3, with the individual species being upland game birds, migratory waterfowl, and turkey.

In 1996, MBO personnel distributed NCHU designation forms. Each outfitter was required to designate NCHU for each category he/she was licensed to serve. These forms are maintained in MBO files.

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### House Bill 196 Requirements

The statement of intent for the 1995 legislation stated “. . . rules on operations plans be directed toward a reduction in new hunting uses of areas by outfitters when the new uses will cause undue conflict with existing hunting uses of the areas.” The MBO adopted rules to address the legislation.

Concerns with the review and approval process for NCHU expansions resulted in the MBO creating an ad hoc committee to review the process and propose solutions. The rules were changed in August 1998. On December 30, 1998, the Attorney General issued an opinion that MBO did not properly implement requirements of the 1995 legislation (section 37-47-201(5)(d), MCA) by not adopting rules pertaining to undue conflict.

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### 1999 Statutes Address Undue Conflict

The 1999 Legislature enacted laws regarding review and approval of proposed new operations and requests for expansion of existing NCHU. Subsequently, on June 3, 1999, the MBO decided to defer review and discussion of any further NCHU applications until new board rules were developed. The MBO published notification of proposed amendment and adoption of rules on October 21, 1999, and certified changes to the Secretary of State in March 2000. The next section describes the evaluation criteria contained in current statute. These criteria were implemented to address language from the statement of intent regarding undue conflict.

## Chapter II - Background

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### NCHU Expansion Evaluation Criteria

The MBO must evaluate each expansion request, or new application, according to criteria in the law. An NCHU expansion request, which includes new applications, may not be granted if any of the following criteria are established:

1. The request creates a closure of a public right-of-way.
2. The requestor has current license restrictions imposed by the MBO or is currently subject to a disciplinary action imposed by the MBO.
3. The requestor has been convicted or pleaded guilty to a violation of Montana hunting or fishing statutes, rules, or regulations in the last three years.
4. Any information in the request is inaccurate or untrue.
5. The request does not cover adequate land to ensure the personal safety of hunters.
6. Sufficient wildlife is not available to support the proposed number of hunters covered under the request.
7. The proposed expansion would create or exacerbate a game damage situation.
8. The proposed expansion would restrict the current efforts of the Department of Fish, Wildlife and Parks (FWP) to manage area wildlife through permits issued to public hunters.

The criteria must be considered in light of the cumulative effect of the current expansion request and any previously approved expansion requests.

The law requires FWP to solicit and compile public comments concerning NCHU expansion requests. FWP may also submit its own analysis and comments on expansion requests. There are some suggested criteria in the law for the FWP analysis.

In rendering a final decision, the MBO must also consider whether:

1. The expansion will open private or public lands to public hunting that did not previously exist.
2. The request addresses existing game damage by opening new public equivalent hunting opportunities for both outfitters and the public.
3. The expansion would directly restrict public access to public lands.

## Chapter II - Background

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According to section 2-15-1883(3), MCA, expansion requests are first reviewed by a five-member subcommittee of the MBO. This subcommittee then reports its determinations to the full board.

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### **Related Legislation**

The 1999 Legislature also implemented a three-year time frame for outfitters who received an NCHU expansion after March 1, 1996 (section 37-47-316(2), MCA). These outfitters must establish their designated NCHU within three years. After the three-year period, the NCHU is to be adjusted to reflect the highest number of clients actually served, up to but not exceeding the designated NCHU. This is commonly referred to as the “use-it-or-lose-it” provision.

### **Moratorium**

In addition, the legislature imposed a moratorium on land-based hunting outfitter licenses in 1995 (section 37-47-315, MCA). The total number of land-based licenses could not exceed the number in existence on April 14, 1995. There was some confusion about the actual number of licenses, so this law was clarified in 1999. The moratorium on land-based hunting outfitter licenses is 543.

### **Recordkeeping**

Laws and rules also require outfitters to maintain various records. An outfitter must submit an operations plan when applying for a new license. Operations plans were initially required of all outfitters in 1988. Any changes, additions, or deletions to an operations plan are required in writing. Each outfitter is required to submit client logs and hunting and/or fishing statistics annually. The MBO maintains a file of this information for each licensed outfitter.



# Chapter III - Net Client Hunter Use Activity

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## Introduction

A main objective of the audit was to review Montana Board of Outfitters (MBO) activities regarding net client hunter use (NCHU). We reviewed MBO records and procedures to determine the level of NCHU activity. This chapter describes those activities and presents our findings and recommendations regarding NCHU.

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## Requirements Outfitters Must Follow to Designate NCHU

Although there is a moratorium on land-based hunting outfitter licenses, existing licenses become available to new applicants when an outfitter does not renew his/her license, retires, or has his/her license revoked. To obtain an outfitter license a person must complete an application for licensure. Certain experience and training requirements must be met, and then the applicant must pass a written examination. Along with the application, all outfitters are required to submit an operations plan defining, in general:

- < Where they will provide the services.
- < Number of trips they will take per year.
- < Maximum number of clients they will serve per trip.
- < Equipment and facilities they will use.
- < Average number of guides they will hire.

MBO personnel investigate qualifications and verify experience. If all conditions of licensure are met, the MBO issues a license. An equipment and premises inspection is completed following approval of the application.

Both new and existing outfitters must provide specified information when creating new or increasing existing NCHU levels. Both groups must:

- < Complete an NCHU application showing the number of clients they want to serve, or an NCHU expansion form showing the number of current clients and request for expansion.
- < Provide supporting documentation such as land-use approval forms from landowners and legal descriptions.
- < Pay the proper fee.



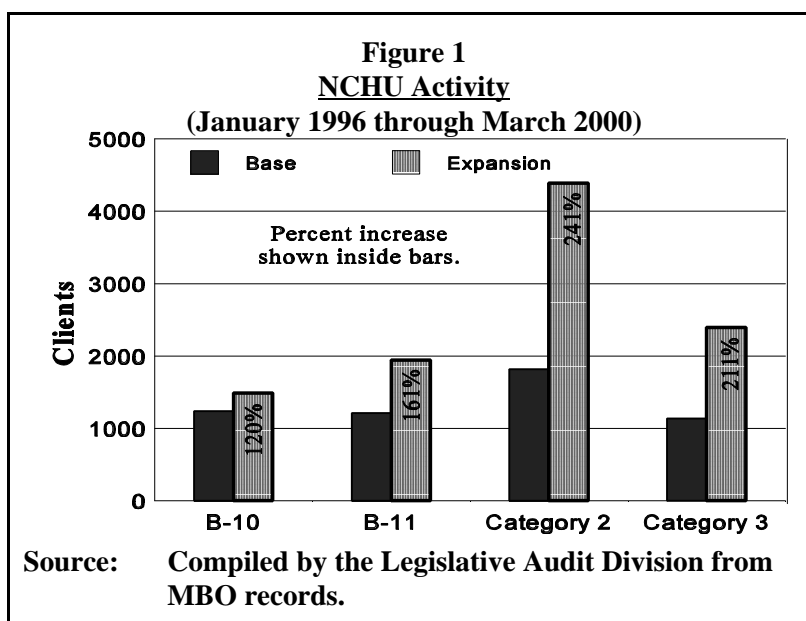
## Chapter III - Net Client Hunter Use Activity

MBO personnel review applications for completeness. When all required information is received, MBO staff forward the information to the Department of Fish, Wildlife and Parks (FWP). FWP notifies the public and solicits comments. A subcommittee of the MBO reviews applications and comments, then makes a recommendation to the full board. The MBO then evaluates the proposal, in a public forum, and renders a decision on whether to approve the application for new or increased NCHU.

### NCHU Activity

To review NCHU activity, we compiled information contained in MBO files. The spreadsheet we developed contains data on outfitters who applied for new NCHU or an expansion of their existing NCHU. It also includes the existing NCHU for outfitters who applied for a transfer of NCHU.

The following figure presents a graphical summary of NCHU activity for each general category. B-10 and B-11 are nonresident big game outfitter-sponsored clients, Category 2 is big game non-outfitter-sponsored clients, and Category 3 is upland game bird and waterfowl clients. The figure shows approved increases in NCHU from January 1996 through March 2000. The base NCHU activity represents the number of clients currently approved at the time the outfitter applied for the change in NCHU.



### Chapter III - Net Client Hunter Use Activity

Overall, the graph shows an increase in NCHU activity for all categories. Category 2 had the highest increase in NCHU. For individual species within this category, moose had the highest NCHU expansion from 2 clients to 23 clients (1,050 percent). Goat had the next highest NCHU expansion from 3 clients to 22 clients (633 percent). Elk had the third highest expansion from 386 to 2,695 (598 percent). Approximately  $\frac{3}{4}$  of the increase in the number of clients for elk was associated with one outfitter.

In reviewing the details of NCHU activity, 130 individual outfitters submitted 143 requests for NCHU changes. Eighteen new outfitters applied for NCHU. Of the 143 requests, 109 were approved and 5 were denied. The remaining requests were transfers, withdrawals, void, incomplete, or are pending a decision. The date of the MBO's first approval was April 24, 1996. The following table provides a breakdown of approvals and denials, by year.

**Table 1**  
**NCHU Approvals and Denials**  
**(January 1996 through March 2000)**

<u>Year</u>	<u>Approvals</u>	<u>Denials</u>
1996	54	0
1997	27	1
1998	16	0
1999	11	4
2000*	<u>1</u>	<u>0</u>
Total	109	5

\* through March

**Source: Compiled by the Legislative Audit  
Division from MBO records.**

Of the total requests, 81 added land to their operation as part of the NCHU expansion, including the 18 new outfitters. The total acreage added was approximately 1.4 million acres. This acreage data is based on information provided by outfitters on MBO forms. Information on whether these lands were open to public hunting or

## Chapter III - Net Client Hunter Use Activity

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provided public access prior to the NCHU expansion is not complete.

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### ***Conclusion: Impacts of NCHU Increases Are Unknown***

Our review of NCHU activity showed the MBO does not maintain records regarding public access. Thus, we were unable to determine the impacts of NCHU increases on public hunting opportunities and access. Due to the lack of information in MBO records, we were unable to determine if the MBO's justification for approving NCHU increases was in compliance with the law.

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### **Does MBO Monitor NCHU Activity?**

The legislature has shown interest in the outfitter industry and NCHU. Section 37-47-201(5)(d), MCA, implemented in 1995, directs the MBO to adopt rules specifying standards for review and approval of NCHU. Laws were modified in 1999 to include criteria for reviewing NCHU applications. While this provides a foundation for control, the process can be improved by monitoring the status of NCHU activity. The following sections provide recommendations for improvements in monitoring NCHU.

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### **Develop a System to Track Activity**

Data regarding NCHU is collected using the designation form, NCHU applications, client logs, and hunting statistic sheets. Even though data is collected, the MBO does not have an efficient system for monitoring NCHU. The MBO does not compile and report statistics on NCHU activity. A previous MBO executive director and FWP staff created lists of NCHU activity, but these lists were not maintained.

Without an efficient system for monitoring NCHU, the MBO's ability to report outfitter industry statistics is limited. For example, the MBO does not know how many acres licensed outfitters own and/or lease, which is currently a main area of public interest. If NCHU activity is not monitored, the MBO is not able to measure and evaluate the effectiveness of NCHU laws and rules. Currently, requests for statistics regarding NCHU must be compiled manually. Depending on the request, this may require review of more than 500 files. This can be very time consuming. As a result, the MBO may be viewed as unresponsive. An efficient system can provide benefits

## Chapter III - Net Client Hunter Use Activity

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to the process by reducing the time involved in compiling information and providing controls over data analysis.

MBO management is planning to develop an NCHU database. Initial bids from a private contractor to develop a system were costly, so the MBO decided to develop the database in-house. The initial format for the database was developed during our review. NCHU data has yet to be entered into the system.

### **Recommendation #1**

**We recommend the MBO implement a system for monitoring and reporting on NCHU activity.**

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### **Verify NCHU Designation Forms**

Currently, when an outfitter proposes to change their NCHU, MBO personnel review the NCHU designation form which provides base client numbers. Personnel compare the numbers on the designation form to client logs submitted by the outfitter. If differences are noted, adjustments are made to the base and the outfitter is notified of the change. However, this verification was not always completed in the past. When verification was completed, errors were found in NCHU numbers. There is a possibility for errors on other unreviewed designation forms. The accuracy of base client numbers is questionable. The MBO does not track NCHU verifications, so the actual number of completed reviews is not known.

In addition, NCHU designation can be confusing. This increases the possibility of errors. If an outfitter requests and receives an NCHU expansion and the designation form is incorrect, the resulting client base will be incorrect. For example, if an outfitter applies for an expansion of 10 elk clients and indicates his base is 10, an approval would result in an NCHU of 20 for elk. However, if the outfitter was incorrect in designating his NCHU and it should have been eight, the NCHU base would be off by two.

In order to monitor NCHU activity, the MBO must determine and document the base client levels for each outfitter. The MBO has client numbers on the NCHU designation forms. The next step for the MBO is to verify the information on all forms and document the

## Chapter III - Net Client Hunter Use Activity

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correct base client levels. This will provide assurance the base NCHU is accurate.

### **Recommendation #2**

**We recommend the MBO verify all NCHU designation forms and document actual base client levels.**

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### **Enforce Use-It-or-Lose-It Legislation**

In addition to setting up an NCHU database, MBO personnel plan to use data within the new system to track the statutory three-year “use-it-or-lose-it” provision. This three-year provision applies to all expansions approved after March 1, 1996. The three-year time frame has expired for 54 approvals from 1996 and 24 from 1997 (up to the release date of this report). MBO personnel have not reviewed these expansions. In addition, there is no process in place for reviewing and adjusting NCHU on an ongoing basis.

Section 37-47-316(2), MCA, enacted April 30, 1999, carries a three-year retroactive provision. Thus, as soon as the law was approved, it created workload for the MBO. In order to comply with statute, the NCHU for approved expansions should be reviewed and adjusted accordingly.

The effect of noncompliance with the three-year establishment law is the same as not verifying base NCHU. If NCHU is not reviewed and adjusted according to an outfitter’s last three years of use, base levels could be exceeded without approval. For example, Outfitter A received an approval from the MBO in 1996 for 20 B-10 clients. If the outfitter only served a maximum of 15 B-10 clients in one of the three years since approval, then the NCHU for Outfitter A should be adjusted down to 15. If the MBO does not review client logs, adjust the NCHU, and notify the outfitter, Outfitter A may serve more than 15 clients because there is an approved NCHU of 20. While each outfitter is responsible for operating within their approved NCHU, it is the MBO’s responsibility to ensure compliance with outfitter laws.

**Recommendation #3**

**We recommend the MBO comply with statute by establishing a process for adjusting NCHU according to the three-year “use-it-or-lose-it” law.**

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**Why Has it Taken Over Four Years to Address NCHU?**

Discussions regarding NCHU began in 1993 and laws were initially passed in 1995. So why has it taken over four years to establish systems and processes for administering NCHU? Several factors contribute to the delay. The most common reason for delays was lack of resources. In the past, MBO staff included less than two FTE: an executive director and a part-time administrative assistant. Current staff levels are six FTE. In addition to limited staff, the MBO experienced turnover in the executive director position four times in four years.

Prioritization is another factor. Program managers have not established a top priority for addressing NCHU. According to MBO personnel, they have not had enough time and resources to complete reviews of all NCHU designation forms. While this may have been true in the past, current staff levels appear to be adequate. In relation to time, it does not appear the MBO placed a high enough priority on completing the task. Current MBO management said delays were a result of other workload responsibilities, changes in operations, and a desire to avoid mistakes.

The legislature gave the MBO responsibilities regarding NCHU. These laws are intended to control the outfitter industry. An effective management system involves continuous evaluation and monitoring progress. The MBO should set a higher priority for establishing controls to address these issues.

**Recommendation #4**

**We recommend the MBO establish a high priority for NCHU responsibilities.**

## Chapter III - Net Client Hunter Use Activity

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### **Recordkeeping and Oversight of the Outfitter Industry**

Statutes and rules contain various recordkeeping requirements. MBO appears to comply with the majority of these requirements. For example, section 37-47-201(5)(e), MCA, passed in 1999, requires MBO to adopt rules establishing outfitter reporting requirements. The law requires annual filing and reporting actual leased acreage used and unused by clients. Rules outlining necessary outfitter records (section 8.39.703, ARM) were passed in 1988 and amended in 1989.

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### **What Information Is Maintained in MBO Files?**

Our review indicates MBO files for each outfitter, in general, contain similar information. Files include operations plans, land-use approval forms (L-1 form), NCHU designation forms, renewals, hunting/fishing statistic sheets, and test scores. Files may also contain general correspondence, special licenses (Forest Service, state lands, etc.), and amendments. Within the main file, MBO maintains three years of renewal information. Files contain a renewal checklist, proof of first aid and insurance, and the client logs for the latest three years.

How forms are completed and information submitted is not consistent. For example, some statistic sheets are completed using percentages rather than actual acreage information, or using client numbers rather than service days. The NCHU designation form was to be completed by all outfitters. Our review indicates there were problems getting some outfitters to submit the form, so some forms may be missing. As mentioned previously, some designation forms were reviewed and in some cases changes were necessary to adjust the NCHU client base to its correct level.

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### **What Are MBO Information Needs?**

Laws and rules contain minimum oversight requirements for the outfitter industry. Thus, MBO should concentrate on compiling information related to regulations; of particular importance are NCHU and acreage. This will help MBO to answer questions and report on the outfitter industry as a whole. The following sections discuss areas which will ensure the information is collected, accurate, and up to date.

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### Clarification of NCHU Forms

According to MBO management, the current NCHU expansion form does not accurately portray client hunting possibilities within the various NCHU categories. Specifically, B-10 and B-11 licenses (nonresident big game outfitter-sponsored licenses) can be both outfitter-sponsored and non-outfitter-sponsored. However, the current MBO form does not clearly identify clients with non-outfitter-sponsored B-10 and B-11 licenses.

Each client is required to hold a license, issued by FWP, for the type of game being hunted. FWP issues numerous types of licenses. These hunting licenses are tracked using a “prefix” code. For example, an outfitter-sponsored nonresident elk combination license (B-10) has a prefix number of 89. However, a nonresident can apply for a B-10 license two ways: (1) through an outfitter (Category 1), or (2) through a general draw (Category 2). A general-draw nonresident elk combination license has a prefix of 88. The current MBO form is not specific enough to clearly differentiate between categories. An outfitter may improperly place a prefix-88 client in Category 1 instead of Category 2.

During our review of files, it became apparent that completion of NCHU forms can be confusing and may be incorrect. There is also confusion about the number of times a client should be counted as NCHU. For example, any B-10 license holder can hunt both elk and deer. Does an outfitter need NCHU for both species (elk and deer) within Category 2? While an outfitter only needs one NCHU for each hunter, he/she may incorrectly believe an NCHU of two is required for Category 2 B-10 license holders. This same confusion may exist for B-10 license holders who hunt big game and upland birds. Should they be counted as a B-10 client and a Category 3 client? Providing clarification on NCHU forms by tying categories and subcategories to FWP license prefixes should help clear up some of the confusion. It will clarify what clients are being served, make it easier for outfitters to understand and complete the form, and help MBO check and verify information submitted by outfitters.

NCHU was established as a method for tracking outfitter clients. The intent was to control the net client hunter base. In order to



## Chapter III - Net Client Hunter Use Activity

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accomplish this, the MBO should have a process to clearly identify all outfitter clients. The current form does not appear to provide this.

### **Recommendation #5**

**We recommend the MBO change NCHU forms to tie categories and subcategories to FWP license prefixes.**

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### **Ensure Records Are Accurate and Up to Date**

As noted above, information requested on MBO forms is not always properly completed. In addition, file information may not be up to date. The MBO does not have a process in place to verify information and ensure files are kept up to date. As a result, the accuracy of file information, namely acreage data and operations plan information, is questionable. Similar concerns were noted during an FWP review of MBO files in 1998. Accurate, up-to-date information will help ensure effective program management.

### **Client Logs**

Outfitters are required to maintain records of clients served. These client logs are submitted to the MBO annually. The log requests information on the client (name, phone number, etc.), the dates of service, and harvest information (species harvested, district hunted, etc.). The client log is going to be modified to include a designation of whether a client hunts on private land (NCHU) or Forest Service land. An outfitter must obtain a permit to use Forest Service land. The Forest Service tracks use on its land using hunter-days rather than number of clients. Due to this difference, the MBO does not establish NCHU for outfitter clients who hunt strictly on Forest Service land. This change to the log will help clarify where clients are being served, which will help MBO personnel during NCHU reviews.

### **Acreage Data**

Acreage data and public access is an area of interest to the legislature. The MBO collects acreage information through its forms. However, the information does not appear to be accurate or complete. Percentages were reported instead of actual acreage in some cases. Other outfitters did not report acreage and/or percentages.

## **Chapter III - Net Client Hunter Use Activity**

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Analysis of the statement of intent for the NCHU legislation indicates a need for information on the base level of acres used by outfitters. Although outfitters are required to submit acreage information, the information is not consistently submitted. Without accurate base level information, the MBO cannot compare new uses to determine acreage use by the outfitter industry.

### **Operation Plans**

If an outfitter changes his/her operation, but does not notify the MBO, he/she is in violation of outfitter regulations and subject to disciplinary action from the MBO. Currently, the MBO relies on outfitters to update their operations plans. Language on MBO forms states the information the outfitter submitted is complete and accurate. However, the MBO does not have a process in place to verify that the information currently in its files is accurate and up to date.

### **Verification of Information**

When an outfitter submits an application or information regarding a change in his/her operation, MBO personnel conduct a completeness review of the information. The MBO does not have a process for testing the accuracy of data or verifying information received. MBO investigators conduct field reviews to check equipment and facilities and contact outfitter clients. FWP game wardens monitor outfitter activity in the field, then compare observations with MBO file information to determine compliance. However, there is no review of written documentation maintained in MBO files. For example, MBO personnel do not verify that individuals listed on the client log were actually served by the outfitter according to the information submitted. As another example, MBO personnel do not verify L-1 forms by contacting the landowner to verify the accuracy of acreage information.

### **Summary**

The MBO has a responsibility to ensure its files are accurate and up to date. If data is questionable, the MBO cannot provide accurate reports on outfitter activities. As a result, the MBO's ability to control the industry is compromised.

MBO management has plans for some changes in program administration. One of the planned changes is organizing the files.

## Chapter III - Net Client Hunter Use Activity

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This should help with the ease and speed of finding information in the files, as well as identifying missing information.

Another important change is a “visual audit sheet”. This will be a one-page synopsis of each outfitter’s operation on file including acreage leased, used, unused, and open to the public. Each outfitter will “sign off” on the sheet annually affirming the accuracy of the information. This will provide MBO some assurance records are accurate and up to date. The time frame for implementation is one to two years from the date of publication of this report. In addition, MBO management mentioned future plans for completing compliance checks in the field.

The impact on public access from outfitter leasing was a main reason for establishing NCHU. The MBO should be tracking acreage use and reporting on industry trends. We believe implementation of a “visual audit sheet” or other process is needed to help ensure MBO file information is accurate and up to date. This process should also include some form of testing or verification of information in the field to ensure accuracy.

### **Recommendation #6**

**We recommend the MBO:**

- A. Develop a system for tracking acreage associated with the outfitter industry.**
- B. Implement a process, such as a “visual audit sheet” and field testing, to help ensure file information is accurate and up to date.**

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### **Land Usage Records**

In response to recent legislation, the MBO changed the land usage form to request leased acreage used, unused, and open to public hunting. MBO management is not sure how accurate this information will be since they do not believe outfitters can accurately determine the number of acres actually used. The problem relates to how the term “use” is interpreted. For example, an outfitter serves clients on a portion of Ranch A. One outfitter may indicate the

### Chapter III - Net Client Hunter Use Activity

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entire amount of leased acreage within his/her operation as used. Another outfitter may interpret this to mean that since he/she only hunted on Ranch A, he/she should only include the acreage for that ranch. Another outfitter may try to determine the actual acreage used within Ranch A.

The MBO has land usage data for calendar year 1999. While this data was collected using the annual hunting statistic form, it has not been compiled. A review of this data should be completed to determine its usefulness in relation to oversight of the outfitter industry. If the review shows the data is not useful or cannot be collected accurately, then the MBO should seek legislation to clarify the requirements of the law relating to leased acres used and unused.

**Recommendation #7**

**We recommend the MBO:**

- A. Review land usage data collected for calendar year 1999 to determine its usefulness for oversight of the outfitter industry.**
- B. If the analysis indicates the correct data is not useful for MBO operations, seek legislation to clarify the requirements for collecting leased acres used and unused.**



## Chapter IV - Conclusion

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### Introduction

This chapter answers the two main audit questions and provides some concluding remarks regarding the Montana Board of Outfitters (MBO) and net client hunter use (NCHU).

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### NCHU Activity

The main audit question regarding NCHU is:

*Did actions taken by MBO related to requests for expansion of NCHU filed by outfitters between July 1, 1996, and July 1, 1999, meet legislative intent and statutory requirements of HB 196?*

The MBO took action to address the laws passed in 1995 regarding NCHU. Rules were adopted, forms created, applications accepted, and reviews completed. However, based on the Attorney General's opinion, the MBO did not go far enough. Board actions have not completely addressed the statutory requirements. In the Attorney General's opinion, the MBO did not properly implement section 37-47-201(5)(d), MCA, which is the statute that relates to the intent statement of the original legislation.

Our review identified several issues regarding NCHU. There is no system for tracking NCHU. Without a system, industry-wide information on NCHU is unknown, and compliance with laws such as the three-year "use-it-or-lose-it" provision is limited. MBO files contain data on NCHU; however, there may be errors in this data due to the potential for errors on NCHU designation forms and/or expansion request forms. While the MBO has a process for verifying NCHU designation forms, not all forms have been reviewed.

Current laws appear to contain the criteria and requirements necessary to address concerns. An NCHU expansion request must be submitted to MBO for all expansions, including new use. The law contains criteria for evaluating and deciding whether to grant NCHU expansion requests. In addition, the law requires the MBO to consider access impacts including whether the expansion will:

1. Open private or public lands to public hunting that did not previously exist.

## Chapter IV - Conclusion

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2. Address game damage problems by opening new public hunting opportunities.
3. Directly restrict public access to public lands.

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### ***Conclusion: MBO Not Meeting Legislative Intent***

In conclusion, the MBO is not meeting legislative intent and statutory requirements. This conclusion is based on a lack of program administration and documentation. Because MBO records do not contain justification of NCHU expansions, we cannot conclude on compliance with the law. The MBO should take further action to completely meet legislative intent and statutory requirements. The recommendations in this report should help accomplish this task.

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### **Oversight of the Outfitter Industry**

The other audit question is:

*Does the MBO maintain adequate records to provide necessary oversight of the outfitter industry, as specified in statute?*

The MBO has a process in place for licensing outfitters. In addition, MBO personnel are working with Department of Fish, Wildlife and Parks game wardens to monitor outfitter activity in the field. The MBO maintains outfitter records which provide information on outfitter operations. The operations plan forms the base record. Other information, such as amendments, NCHU changes, and renewals, provides data for ongoing operations. While MBO maintains outfitter records, current administrative procedures do not ensure records are accurate and kept up to date. MBO relies on the signature of the outfitter to affirm the information is accurate and complete. Some NCHU designation forms are checked, but there is no other testing or verification of written documentation.

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### ***Conclusion: MBO Does Not Maintain Adequate Records***

It appears the MBO does not maintain adequate records to provide necessary oversight of the outfitter industry, as specified in statute. This conclusion is based on our review and considers the most recent legislation. The MBO needs to ensure information on NCHU and acreage, as well as other information, is accurate, complete, up to date, and useful. This will require implementation of processes and/or systems for tracking information. Changes to current forms are needed to focus data collection on areas of interest. In addition, the MBO needs a system for tracking the three-year “use-it-or-lose-it” law.

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### **NCHU and the Outfitter Industry**

We did not conduct a survey of the public, but we received comments that suggest outfitters are leasing private land in Montana and taking away access and public hunting opportunities. Data has not been compiled regarding changes in public access as it relates to the outfitter industry. NCHU was implemented to control the net client base of outfitters and thus reduce the amount of leased land. While NCHU does limit the number of clients an outfitter may serve, an outfitter can expand their leased acreage without expanding their NCHU. In addition, an outfitter can increase their NCHU without expanding the amount of land they lease. While controls may be placed on the number of outfitter clients, controls over a landowner's use of his/her land will infringe on property rights.

According to MBO management, their main charge is consumer protection. They are to ensure the safety, health, and welfare of the public. The general duties of a licensing board include setting and enforcing standards and rules governing the licensing of members of the profession or occupation within its jurisdiction, in this case outfitters.

MBO management believes they are responsible for ensuring compliance with licensing standards, but question how regulating growth of the industry and compiling statistics relates to their charge. However, the section of law for uniform professional licensing and regulation procedures indicates laws relating to a specific board and the profession or occupation it regulates takes precedence over general professional and occupational licensing laws. It is the statutory responsibility of the MBO to regulate the outfitter industry and compile statistics. The oversight responsibilities placed on the MBO are a result of a perceived need for increased accountability because the outfitter industry uses wildlife, which is a public resource. While MBO is a licensing board, the legislature has assigned it responsibilities over and above general licensing standards. The MBO is responsible for complying with current laws. Thus, records must contain information on NCHU and acreage, as well as other required information such as operations plans.





## **Agency Response**





**MONTANA  
DEPARTMENT OF COMMERCE**

**Professional and Occupational Licensing Division**

111 North Jackson PO Box 200513  
Helena, MT 59620-0513

**MAY 3 | 2000**

Phone: (406) 444-3737  
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May 31, 2000


Mr. Jim Pellegrini  
Legislative Audit Division  
P.O. Box 201705  
Helena, MT 59620-1705

Dear Mr. Pellegrini:

Enclosed is Hank Worsech's response to the limited scope performance audit conducted on the Board of Outfitters.

Thank you for your assistance with this difficult issue.

Sincerely,

  
Peter Blouke, Ph.D.  
Director





# MONTANA DEPARTMENT OF COMMERCE

MAY 3 | 2000

## Professional and Occupational Licensing Division

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May 28, 2000

Mr. Jim Pellegrini  
Legislative Audit Division  
P.O. Box 201705  
Helena, MT 59620-1705

Dear Mr. Pellegrini:

The Board of Outfitters appreciates the efforts taken by your office to identify areas where procedures to oversee the industry can be improved, especially the efforts of Kent Rice and Mary Zednick. When we were first informed that an audit had been requested, we viewed this as an opportunity to ensure our new procedures monitoring NCHU would be on "track" with legislative intent. During our review of the Limited Scope Performance Audit Report it became very clear we were on target and agree with the recommendations requested.

POL had opted to switch to a new system "Oracle" to be year 2000 compliant. In July of 1999 a task force containing members from the Board of Outfitters, FWP, PLPWC, MOGA and FOAM met to discuss the information needs required to monitor NCHU and the Outfitting industry as a whole. Since Oracle was used by FWP as well, we solicited a bid for a system with the needs identified in the July meeting. The Bid came back at \$195,000.00 and not within the Board's budget. Since that time I have looked for less costly alternatives. Access is a system we are going to use and this has interfaces with FWP and will provide the link needed for compliance overseeing the industry at a fraction of the original bid. Currently, we are working in conjunction with FWP to develop mapping capabilities through the use of Access. This joint venture will be invaluable in the implementation of the audit recommendations.

Only within the last six months has the Board of Outfitters been fully staffed. Turnover at the Executive Director level has been very high, four Executive Directors in as many years. This program is multi-faceted and in the last year management has focused on rule making, compliance, FWP enforcement, NCHU, records management and customer service. Much of the information required to obtain an accurate oversight of current NCHU regulations for the industry has never been previously recorded. Many of the forms have been developed and implemented to obtain the new information needed. Access has been selected to record and track the information provided, with training of staff currently underway.

We expect improvement to be an ongoing goal, as it should be in any effective organization, and we will continuously try to refine our policies and procedures. NCHU will be placed as one of our highest priorities, now that procedures will be in place to effectively and efficiently obtain and track information. This audit has reassured management that we are headed in the right direction. Once again we appreciate the efforts taken by your office and staff to identify areas where procedures can be improved.

The audit report presents seven recommendations for the department's consideration. Each of these recommendations is addressed below. We have responded to each recommendation, to include approximate timetable for completion.

**Recommendation #1** (p.15)

We recommend the MBO implement a system for monitoring and reporting on NCHU activity.

***Response:** We concur with this recommendation and have already made arrangements to implement "Access" as the system we will use. This will give the MBO system to record and track information not recorded electronically before. Also, an "Access link" to FWP for mapping and outfitter sponsored license is being developed. **Timetable:** With POL moving to the Federal Building in August, the basic NCHU portion of the system should be implemented within six months and the full system within 18 months.*

**Recommendation #2** (p. 16)

We recommend the MBO verify all NCHU designation forms and document the actual base client levels.

***Response:** We concur with this recommendation and are currently verifying all NCHU base forms. However, as identified in recommendation #5, the current base forms do not accurately portray the NCHU bases. We will audit each base form and verify it using the criteria identified in recommendation #5. All base forms will be placed on the Access database as a starting point and updated as they are audited. **Timetable:** Entering the bases into the system will be done by August. However, since the audit may require much correspondence to and from the outfitter to ensure the base is correct, this should be done within 12 months.*

**Recommendation #3** (p. 17)

We recommend the MBO comply with statute by establishing a process for adjusting NCHU according to the three-year "use-it-or-lose-it" law.

***Response:** We concur with this recommendation and will send a letter, with a copy of client logs, to all outfitters who have received an expansion. The Outfitter will verify clients served from the logs, send them back to the Board and we will set their new NCHU base numbers according to the law. Base NCHU for outfitters requesting an expansion were audited prior to processing the expansion requests. **Timetable:** This will be set as a priority and all outfitters who have*

*passed the three-years from expansion will be completed within 90 days. All others will be ongoing and completed as their three-year timeframe lapses.*

**Recommendation #4** (p. 17)

We recommend the MBO establish a high priority for the NCHU responsibilities.

***Response:** We concur and will set this as a high priority. Now that the MBO is fully staffed and rules have been noticed and adopted as a result of SB334 we are in a better position to accomplish and set priorities. Also, due to the frequent change in Executive Directors and the complexity of NCHU, I have opted not to use inaccurate NCHU data previously recorded by FWP or past Executive Directors. **Timetable:** Immediately*

**Recommendation #5** (p. 20)

We recommend the MBO change NCHU forms to tie categories and subcategories to FWP license prefixes.

***Response:** We concur. This inconsistency was brought to the auditor's attention just prior to the exit interview. We will add the FWP license categories to the forms for further clarification in order to alleviate the confusion the auditor discussed. **Timetable:** within two months all forms should be completed with FWP license categories.*

**Recommendation #6** (p.22)

We recommend the MBO:

- A. Develop a system for tracking acreage associated with the outfitter industry.
- B. Implement a process, such as a "visual audit sheet" and field testing, to help ensure file information is accurate and up-to-date.

***Response to A:** We concur and will track acreage on the new client logs and through use of mapping of L-1's. In the past this information was provided on the "statistic" sheet and subject to individual interpretation. **Timetable:** New logs will be used for 2001 renewals and information ready in 12 months. Mapping will depend on FWP and the input of information, 18 months.*

***Response to B:** We concur. We currently have our investigators completing field contact sheets and FWP Wardens are enforcing outfitter laws and rules to ensure outfitters are in compliance and information is accurate. MBO investigators also now have a system, via FWP link, in which they can check outfitter sponsored licenses. Mapping capabilities will help ensure accuracy of acreage information. The "Visual Audit Sheet" is one of the ways we plan on making sure we are all on the same sheet of music. This will provide the outfitter with a synopsis of his file and require a signature attesting to it's accuracy. **Timetable:** Now for the field*



*contacts and outfitters sponsored licenses check. The Visual Audit sheet and mapping will be complete within 12 -24 months.*

**Recommendation #7** (p. 23)

We recommend the MBO:


- A. Review land usage data collected for calendar year 1999 to determine its usefulness for oversight of the outfitter industry.
- B. If the analysis indicates the correct data is not useful for MBO operations, seek legislation to clarify the requirements for collecting leased acres used and unused.

***Response to recommendation A:*** *We concur. All statistic forms will be compiled and information placed on an Excel spreadsheet to determine its usefulness.*

***Timetable:*** *Within 90 days.*

***Response to recommendation B:*** *We concur pending the outcome of recommendation A. Timetable: If information is not useful, we will seek legislation for the next session.*

Sincerely,

  
Henry P. Worsch Jr.  
Executive Director